

**ANNUAL REPORT  
OF THE  
REGULATORY FLEXIBILITY COMMITTEE**



**Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, Indiana 46204**

**December, 2008**

# INDIANA LEGISLATIVE COUNCIL

## 2008

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# REGULATORY FLEXIBILITY COMMITTEE

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### Representatives

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Karen Tallian  
Portage

### Staff

Sarah Burkman  
Attorney for the Committee

Sarah Freeman  
Attorney for the Committee

## **I. STATUTORY DIRECTIVE**

Under IC 8-1-2.6-4, the Regulatory Flexibility Committee is required to monitor competition in the telecommunications industry. In addition to reviewing an annual report on the industry prepared by the Indiana Utility Regulatory Commission (IURC), the Committee is required to consider the following issues:

- (1) The effects of competition and technological change in the telecommunications industry and the impact of competition on universal service.
- (2) The status of modernization of the publicly available telecommunications infrastructure in Indiana and the incentives required to further enhance the infrastructure.
- (3) The effects of modernization on economic development and educational opportunities.
- (4) The current methods of regulating providers, at both the federal and state levels, and the effectiveness of the methods.
- (5) The economic and social effectiveness of current telecommunications service pricing.
- (6) All other telecommunications issues the committee considers appropriate.

Under IC 8-1-2.5-9, the Committee is also required to monitor changes and competition in the energy utility industry. In addition to reviewing an annual report on the industry prepared by the IURC, the Committee is required to consider the following issues:

- (1) The effects of competition or changes in the energy industry and the impact on residential rates.
- (2) The status of modernization of energy utility facilities in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects of modernization on economic development.
- (4) The traditional method of regulating energy utilities and the method's effectiveness.
- (5) The economic and social effectiveness of traditional energy utility service pricing.
- (6) The effects of legislation enacted by the United States Congress.
- (7) All other energy utility issues the committee considers appropriate.

In 2008, the Legislative Council directed the Committee to study the following topics:<sup>1</sup>

- (1) Certain issues related to human services information and referral services in

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<sup>1</sup>LEGISLATIVE COUNCIL RESOLUTION 08-01 (May 22, 2008).

Indiana, as set forth in SECTION 1 of HEA 1159-2008 (P.L. 132-2008, SEC. 1).

(2) Appropriate mechanisms for funding both wireline and wireless enhanced emergency telephone systems in Indiana, as required by SECTION 12 of HEA 1204-2008 (P.L. 137-2008, SEC. 12).

(3) The potential regulation of wind power in Indiana (as requested by Senator Philip Boots).

## **II. SUMMARY OF WORK PROGRAM**

The Committee met three times during the 2008 interim session on September 25, October 9, and October 16.

The meeting on September 25, 2008, featured a presentation of the annual reports by the IURC on the energy, telecommunications, and water industries. The meeting also included the annual report by the State Utility Forecasting Group (SUFG) on renewable energy resources in Indiana, as well as SUFG reports on the 2007 biennial state energy forecast and the impact of potential federal carbon legislation in Indiana. Following these reports, the Committee heard testimony about other states' efforts to increase broadband availability and computer literacy through public-private partnerships facilitated by Connected Nation, a national non-profit organization.

At the meeting on October 9, 2008, the Committee received testimony about the availability and scope of human services information and referral services in Indiana, including 211 services, as directed by the Legislative Council. The Committee also received extensive testimony from both homeowners and industry representatives concerning the vegetation management practices of electric utilities. The meeting also included a discussion of the potential regulation of wind power in Indiana, as directed by the Legislative Council, and a presentation by DePauw University students concerning future energy policy options for Indiana.

On October 16, 2009, the Committee heard additional testimony on the potential regulation of wind power in Indiana. The agenda also included a presentation on energy and environmental stewardship initiatives at Purdue University. However, most of the Committee's final meeting was devoted to a discussion of funding mechanisms for both wireline and wireless enhanced emergency telephone systems in Indiana, as directed by the Legislative Council.

The Committee issued no formal recommendations concerning any of the topics it considered during the interim.

Meeting minutes for the Committee can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.